

## **Verification Procedures**

**A. GENERAL POLICY**

The OCHA verifies family income, family composition, full-time student status, value of assets, factors allowing a preference, and other determinations regarding eligibility status before an applicant is issued a Voucher.

Applicants and program participants will be required to furnish proof of their statements whenever required by the OCHA.

Families may be requested to sign an authorization for release of information from the Internal Revenue Service (IRS) for further verification of income. Additionally, families may be required to provide copies of their most recent federal income tax statements. Referrals to the IRS may be made for confirmation of income statements. Where reasonable doubt regarding income exists, a referral to IRS information will be made for confirmation on a case-by-case basis.

**B. METHODS OF VERIFICATION**

In the order presented, the OCHA will utilize the following verification methods:

**Third-Party Verification:**

Third-party verification is considered to be the most effective means of verifying information provided by the family. Verification forms will be sent by mail to the appropriate third party with a request that the form be returned via mail. It is the intent of the OCHA that the form shall never pass through the hands of the family.

The verification shall be in written form with a statement signed by the family permitting the source to release the requested information.

Oral verification will be obtained through a phone call to the source or via an “in person” meeting. When third-party oral verification is used, staff will be required to complete a form noting the person they spoke with, the date of the conversation, and the nature of the conversation. All relevant facts will be documented on this form.

The request for third-party verifications will be mailed by the OCHA directly to the third-party source, and will request that the verification be returned to the OCHA by mail.

When the OCHA uses oral third-party verification, a “Document Viewed or Person Contacted” form will be filled out by the staff person.

**Use of Computer Printouts**

Many agencies are currently using computer-generated forms to respond to OCHA request for “third-party written verification”. The OCHA may accept such computer forms as documentation of third-party written verification. Entities known to use such forms may include (but are not limited to):

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensation Board (including State disability)
- District Attorney’s Office (for child support)
- Pharmacies (for prescription drugs)
- Employers
- Internal Revenue Service
- California Economic Development Board

**Review of Documents:**

In the event neither third-party written nor oral verification is possible, staff will request that the family bring in actual documents at the time of the application.

All such documents, excluding government checks, will be photocopied and retained in the family's file.

Where "review of documents" occurs and forms cannot be photocopied, staff viewing document(s) will be required to complete a "Document Viewed" form.

It is important that government checks never be photocopied! The Document Viewed form will be used to record the check verification.

**Family Affidavit:**

When verification cannot be effectuated by either third-party verification or review of documents, families will be required to submit a statement of affidavit.

Affidavits are only to be used as a last resort, when the other forms of verification are impossible to obtain. A non-affidavit family statement as a form of verification is not acceptable.

When reasonable effort is being made by the family to obtain documents needed for verification, an affidavit may be used for allowances and deductions. Where there is no reasonable effort being made, the expense will be disallowed.

Certifications, which do not have to be in affidavit form, include the Certification of the Divestiture of Assets.

A family cannot self-certify disability or handicap status.

**C. RELEASE OF INFORMATION**

At the application stage, all adults 18 years of age and older or emancipated minors will be asked to sign appropriate verification forms, as well as a blanket authorization Form 9886 and the OCHA Release Form. Each member so requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Each and every verification form will contain the appropriate family member's signature as proof of:

- Their consent to the "third party" for release of specified information; and
- Evidence of their understanding of the type/nature of information being sought.

Family refusal to cooperate with the HUD prescribed verification system will result in the termination of the household's application and will result in ineligibility status.

**D. COMPUTER VERIFICATION**

Where allowed by HUD and/or other state or local agencies, computer matching may be done.

Where computer printouts are a feasible method of verification, those sources will be utilized.

**E. ITEMS TO BE VERIFIED**

Items to be verified include the following:

- All income not specifically excluded by the regulations
- Full-time student status, including High School students 18 years and over
- Current assets, including assets disposed of for less than fair market value in the preceding two years
- Child care expense allowing an adult family member to be employed or to further their education
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled
- Disability assistance expenses, including only those costs associated with attendant care or auxiliary apparatus which allow an adult family member to be employed
- Identity of all family members
- Disability for determination of preferences, allowances or deductions
- U. S. citizenship/eligible immigrant status
- Social Security numbers for all family members
- “Preference” status
- Familial/marital status when needed for household head or spouse definition
- Information for the family requesting a larger unit than applicable under the OCHA’s Subsidy Standards (required for “medical purposes” or other extenuating circumstances).

**F. MINIMUM INCOME**

No family, whose annual income exceeds the applicable income limits as set by HUD, shall be eligible for admission to the Section 8 Housing Assistance Payments program and related programs.

Families assisted under the Section 8 Rental Assistance Program must pay a monthly minimum total tenant payment of not less than \$50.

Families who report no income will be referred to TANF/General Relief for application of assistance. If the family chooses not to apply, the amount the family could have qualified for will be used to determine their Total Tenant Payment (TTP).

**G. ACCEPTABLE FORMS OF VERIFICATION**

Specific information must be obtained from third-party sources to verify the information provided by the family. The following verification information will be considered acceptable by the OCHA in the order listed:

**Employment Income:**

All verification form MUST request the employer to specify the following information:

- Date(s) of employment form completed by the employer;
- Amount and frequency of pay;
- Effective date of the last pay increase;
- Probability and effective date of any increase during the next 12 months;
- Year to date earnings; and
- Estimated overtime, tips, and bonus pay expected during the next 12 months.

Acceptable forms of verification include (in this order):

- Employment verification
- Check stubs or earning statements showing employee's gross pay per pay period and frequency of pay
- W-2 forms if family has had the same job for at least two years and pay increases can be accurately projected
- Affidavits or income tax returns signed by the family describing self-employment and amount of income or income from tips and other gratuities

**Social Security, Pensions, Supplementary Security Income (SSI), Disability Income:**

Acceptable forms of verification include:

- Benefit verification form completed by agency providing the benefits
- Award or benefit notification letters prepared and signed by the authorizing agency. (Since checks or bank deposit slips show only net amounts remaining after deducting SSI or Medicare, they may be used only when award letters cannot be obtained)

**Unemployment Compensation:**

Acceptable forms of verification include:

- Verification form or computer printouts completed by the unemployment compensation agency
- Records from unemployment office stating payment dates and amounts

**Welfare:**

Acceptable forms of verification include:

- For all Welfare Programs, the Welfare or Social Services agency's written statements as to type and amount of assistance the family is now receiving, and any changes in assistance expected during the next 12 months

**Alimony or Child Support Payments:**

Acceptable forms of verification include:

- Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
- Printouts from the Districts Attorney's office and the Social Services office for the disregard payment
- A letter from the person paying the support
- Copy of latest check – the OCHA must record the date, amount, and number of the check
- Family's notarized statement or affidavit of amount received or statement that support payments are not being received with a statement addressing the likelihood of support payments being received in the future

If payments are irregular:

- Copy of separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
- Statement from agency responsible for enforcing payments to show that family has filed
- Family's affidavit of amount received

**Net Income from a Business:**

The following documents show income for the prior years. The OCHA must consult with families and use any of the following methods to estimate income for the next 12 months.

- IRS Tax Return, Form 1040, including any:
  - Schedule C (Small Business)
  - Schedule E (Rental Property Income)
  - Schedule F (Farm Income)
- Calculation of depreciation expense, computed using straight-line depreciation rules (required when accelerated depreciation was used on the tax return or financial statement)
- Audited or un-audited financial statement(s) of the business
- Loan application listing income derived from the business during the previous 12 months
- Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior 12 months (or lesser period if not in business for 12 months) to project income for the next 12 months (the family will be advised to maintain these documents in the future if they are not available)
- Family's affidavit as to net income, including tips, realized from the business during previous years

**Child Care Business:**

If a family is operating a licensed day care business and has been operating as a business, income will be verified as with any other business.

However, if the family is operating a "cash and carry" operation (which may or may not be licensed) verification of income received may be more difficult.

The OCHA will require that the family be required to provide a form that shows: name of person whose child is being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), and signature of person certifying to amounts paid for child care.

If the family has filed a tax return, the family will be required to provide it.

The OCHA may conduct an interim review and have the family provide a log with the following information: name, address and telephone number of the parent whose child is being cared for, hours per week and rate paid for child care, and type of payment (cash or check). In cases where childcare was terminated, a signed statement as to effective date of termination from the parent whose child was cared for is required. If childcare services were terminated, a third-party verification will be sent to the parent whose child was cared for.

**Recurring Contributions and Gifts (Considered only if having received for a period of a year or more or will be received for a period of a year or more):**

Acceptable forms of verification include:

- Family's notarized statement or affidavit that provides the required information.
- Notarized statement or affidavit signed by the person providing the assistance (this statement must give the purpose, dates and value of gifts and or contributions reviewed)

**Family Assets Now Held:**

For non-liquid assets, sufficient information is required to determine the current cash value, or the net amount the family would receive if the asset were converted to cash. These include:

- Verification forms, letters, or documents from a financial institution, broker, etc.
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker
- Quotes from a stockbroker or realty agent or a listing in the Wall Street Journal as to the net amount family would receive if the securities or real estate were liquidated
- Real estate tax statements, if tax authority uses approximate market value
- Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the Section 8 recipient
- Appraisals of personal property held as an investment
- Family's notarized statements or signed affidavits describing assets or cash held at the family's home or in safe deposit boxes
- Net income from a business

**Assets Disposed of for Less than Fair Market Value during Two Years Preceding Effective Date of Certification or Recertification:**

- For all certifications and recertifications, the OCHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.
- In cases where the family certifies that they did dispose of assets for less than fair market value this certification should include (a) all assets disposed of for less than fair market value; (b) the date they disposed of the assets; (c) the amount the family received; and (d) the assets' market value at the time of disposition.

**Savings Account Interest Income and Dividends:**

Acceptable forms of verification include:

- Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.
- Broker's quarterly statements showing value of stocks or bonds and the earnings credited to the family.
- If the OCHA accepts an IRS Form 1099 from the financial institution, the OCHA must adjust the information to project earnings expected for the next 12 months.

**Interest Income from Sale of Real Property Pursuant to a Purchase Money Mortgage, Installment Sales Contract, or Similar Arrangement:**

Acceptable forms of verification include:

- A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. It should be noted that a copy of the check paid by the buyer to the family is NOT sufficient verification, as an appropriate breakdown of interest and principal are not included.
- Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

**Rental Income from Property Owned by Family:**

“One or more of the following are required to verify rental income for property owned by the family. The amounts reflected in these sources are subject to adjustment by the OCHA staff based upon expected changes in the next 12 months.”

- IRS Form 1040 with Schedule E (Rental Income)
- Copies of latest rent checks, leases, or utility bills
- Documentation of family’s income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedules showing monthly interest expense)
- Lessee’s written statement identifying monthly payments due the family and family’s affidavit as to net income realized

**Full-Time Student Status:**

Acceptable forms of verification include:

- School transcript (available after completion of first semester); if transcript not available, student registration or written verification from the registrar’s office or appropriate school official      School records indicating enrollment for sufficient number of credits to be considered a full-time student by the school. Is considered a full-time course by the college or university

**Childcare Expenses:**

Acceptable forms of verification include:

- Written verification from the person who receives the payments. If the childcare provider is an individual, they must provide their Social Security Number and an affidavit of the amount they are charging the Section 8 family for their services.
- Verifications must specify the childcare provider’s name, address, phone number, Social Security Number, the names of the children cared for, and the frequency (number of times the baby sitting occurs), the rate of pay, and the typical yearly amount paid, including school and vacation periods.
- Family’s certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.



**Medical Expenses:**

Acceptable forms of verification include:

1. Family's certification as to whether any of those payments have been or will be reimbursed by outside sources.
2. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, etc., of:
  - a. the estimated medical costs to be incurred by the family and of regular payment due on medical bills; and
  - b. the extent to which those expenses will be reimbursed by insurance or a government agency.
3. The insurance company's, or employer's written confirmation of health insurance premiums to be paid by the family.
4. Social Security Administration's written confirmation of medicare premiums to be paid by the family over the next 12 months.
5. For attendant care:
  - a. Doctor's certification that the assistance of an attendant is medically necessary including diagnosis; prognosis; exact duties the attendant will perform and how often; and necessary medical equipment, if applicable.
  - b. Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments).
  - c. Family's certification as to whether any of those payments have been or will be reimbursed by outside sources.
6. Receipts, canceled checks, or pay stubs that indicate health insurance premium costs, etc., verifying medical costs and insurance expenses also likely to be incurred in the next 12 months.
7. Copies of payment agreements with medical facilities, or canceled checks that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
8. Receipts or other records of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. The OCHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, non-recurring expenses from the previous year. Medical insurance deductible amounts may be used as a medical expense if the total medical expenses exceed this deductible amount.

The OCHA will use mileage at the IRS rate or cab receipts or bus fare itemization with to/from addresses listed for verification of the cost of transportation directly related to medical treatment.

**Medical Need for Larger Unit:**

A reliable medical source must certify that such arrangements are medically necessary. The doctor must verify: diagnosis; prognosis; exact duties the attendant will perform and how often; and, if applicable, necessary medical equipment.

**Assistance to Handicapped:**

**1. Attendant Care:**

- a. Attendant's written certification as to: amount received from the family or agency; frequency of receipt of amounts paid; hours of care provided; and/or copies of canceled checks family used to make those payments
- b. Certifications required in paragraph 3(B) below and/or copies of canceled checks family used to make those payments

**2. Auxiliary Apparatus:**

- a. Receipts for purchases of, or evidence of monthly payments for, auxiliary apparatus
- b. In the case where the handicapped person is employed, a statement from the employer that the auxiliary apparatus is necessary for employment

**3. In All Cases:**

- a. Written certification from a doctor or a rehabilitation agency that the handicapped person requires the services of an attendant or the use of auxiliary apparatus to permit the handicapped person to be employed or to function sufficiently independently to enable another family member to be employed
- b. Family's written certification as to whether they receive reimbursement for any of the expenses in paragraph 1 and 2 above and the amount of any reimbursement received

**Preferences:**

**1. Residency:**

The OCHA will use leases, utility bills, employer records, school records, driver's licenses, voters registration records, Social Service Administrative records, or credit reports to verify residency.

**2. Displacement by Governmental Action:**

The OCHA will use referrals from member governmental bodies to verify displacement.

**3. Veteran Status:**

The OCHA will use the Statement of Service issued by the military, Form DD214.

**4. Working Families:**

The OCHA will use employment records, previous year's federal tax forms or other means to verify the employment status of potential candidates.

**H. VERIFYING FACTORS OF ELIGIBILITY**

**Family Composition/Identity**

Certification will normally be considered sufficient verification of family composition. In cases where reasonable doubt exists regarding specific family members, the family may be required to provide copies of the documents listed below in this section.

The following types of verification will be acceptable as methods to document families' statements regarding family status. There must be verification that the person exists in the household, therefore items such as birth certificates or other evidence that the person is included in the household must be submitted.

Verification for adults include more than one of these forms:

- Certification of Birth, naturalization papers
- Church issued baptismal certificate
- Current, valid drivers license
- U. S. military discharge (DD214)
- U. S. passport
- Department of Motor Vehicles Identification Card
- Health and Human Services ID
- Social Security ID
- Hospital records
- Voter's registration

Verification for minors include more than one of these forms:

- Certificate of Birth
- Custody agreement
- Health and Human Services ID
- Adoption papers
- School records

If none of the above documents can be provided, a third party who knows the person may be used for verification.

If no legal records can be obtained to verify birth date, a notarized statement may be accepted to verify birth date if accompanied with an explanation of the reasons why such birth date documentation cannot be obtained.

Verification of the exception granted for a battered spouse in a split household situation is described in Chapter 4, Eligibility, of this document.

Verification of guardianship includes:

- Court-ordered assignment
- Notarized declaration of parent
- Verification from Social Services Agency
- School records

It should be noted that some households may appear to consist of two families. In cases where a recipient has (e.g. mother and father and daughter with her own family) applied as a single family, they will continue to be considered as one family as long as they claim to be a single family and meet the family definition.

### **Verification of Marital Status**

This verification is required to determine spouse for purposes of income, deductions and non-citizen status.

Verification of divorce status is a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may include a copy of court-ordered maintenance other records or a notarized statement from spouse when all legal or statements from separated spouse cannot be obtained.

Verification of marriage status is a marriage certificate.

## **Familial Relationships**

**The following verifications will be required, as applicable:**

### **Verification of relationship:**

- Official identification showing names
- Birth certificates
- Baptismal certificates

### **Verification of guardianship:**

- Court-ordered assignment
- Affidavit of parent
- Verification from Social Services Agency
- School records

### **Evidence of a stable family relationship:**

- Joint bank accounts or other shared financial transactions
- Leases or other evidence of prior co-habitation
- Credit reports showing relationship

## **Live -In Attendant**

To determine whether a live-in attendant is “essential to the care and well being of the elderly, handicapped or disable person,” the OCHA will request third-party verification(s) from reliable medical source(s) familiar with the needs of the applicant requesting the OCHA’s approval of a live-in attendant. The request will seek precise information as to the services and time required by the applicant from the live-in attendant in order to enable the applicant to meet the bedroom size requirement, including diagnosis; prognosis; exact duties to be performed by attendant and how often.

Reasonable accommodation will be made in the verification process for handicapped and disabled persons.

A Family may include a live-in attendant who:

- Is needed or essential to the care and well being of the elderly, handicapped or disabled family member; and without such care the tenant would not be able to remain in the assisted unit. A medical statement is required, which must include the type of care that will be provided and the time spent on each duty; and
- Is not obligated for the support of the elderly, handicapped or disabled member; and
- Would not be living in the unit except to provide care of the elderly, handicapped or disabled family member; and
- Whose income will not be counted for purposes of determining eligibility or rent; and
- May not be considered the remaining member of the tenant’s family.
- Must submit required identification (and driver license/state issued identification card, Social Security card, birth certificate, alien registration card).
- Must be a legal resident in the U.S.A.

At any time, the OCHA may refuse to approve a particular person as in live-in-aide, or may withdraw such approval, if the person:

- Commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- Commits drug-related criminal activity or violent criminal activity
- Currently owes rent or other amounts to the OCHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Relatives are not automatically excluded from serving as care attendants. However, these individuals must meet the definition described above.

When a live-in attendant is added to the family composition, the OCHA must arrange to perform a criminal history check on the new member(s). A criminal check is required on all live-in attendants.

Live-in attendant needs to be available according to the type of care and time specified for each duty on the medical statement.

Live-in attendants cannot be the remaining member of the tenant family if the person they are attending is no longer a participant on the Section 8 Rental Assistance Program.

Family members of a live-in attendant may also reside in the unit, providing doing so does not increase the subsidy by the cost of an additional bedroom and further provided that the presence of the live-in's family members do not overcrowd the unit.

#### **Multiple Attendants:**

A family may have multiple attendants who work separate shifts provided that doing so does not increase the subsidy by the cost of an additional bedroom.

NOTE: For further information refer to Eligibility for Admission in Chapter 4, of this document.

#### **Special Family Circumstances**

##### **Absence of Spouse:**

If the spouse leaves the household and the period of time is less than 90 days, the family member will be determined temporarily absent unless one of the following verifications are provided (in order of preference):

- Husband or wife institutes divorce action
- Husband or wife institutes legal separation
- Order of protection (e.g. restraining order)
- Acceptable proof of absence which includes verification that the absent spouse is living in another location (e.g. utility bills, canceled checks for rent, drivers license or lease or rental agreement in their name at another location or employment verification of their home address)
- If proof cannot be provided, as indicated above, the OCHA will consider statements from other agencies such as the Social Services Agency or from the owner or manager of the assisted unit.
- If no other proof can be provided, the OCHA will accept a notarized statement from the family.

- If the spouse is incarcerated, a document from the court or prison or a statement from their attorney or Probation Officer should be obtained as to how long they will be incarcerated.

**Absence of Adult Family Member Other than Spouse:**

If the person leaves the household and the period of time is less than 90 days, the family member will be determined temporarily absent unless one of the following verifications are provided (in order of preference):

- Order of protection (e.g. restraining order)
- Acceptable proof of absence which includes verification that the absent person is living in another location (e.g. utility bills, canceled checks for rent, drivers license or lease or rental agreement in their name at another location or employment verification of their home address)
- If the above information cannot be provided, the OCHA will consider statements from other agencies such as the Social Services Agency or from the owner or manager of the assisted unit.
- If no other proof can be provided, the OCHA will accept a notarized statement from the family.
- If the person leaving the household is incarcerated, a document from the court or prison or a statement from their attorney or Probation Officer should be obtained as to how long they will be incarcerated.

**Absence of Adult Children:**

If the person leaves the household and the period of time is less than 90 days, the family member will be determined temporarily absent unless one of the following verifications are provided (in order of preference):

- Order of protection.
- Acceptable proof of absence which includes verification that the absent person is living in another location (e.g. utility bills, canceled checks for rent, drivers license or lease or rental agreement in their name at another location or employment verification of their home address)
- If the person leaving the household is incarcerated, a document from the court or prison or a statement from their attorney or Probation Officer should be obtained as to how long they will be incarcerated.
- If the above information cannot be provided, the OCHA will consider statements from other agencies such as the Social Services Agency or from the owner or manager of the assisted unit.
- If no other proof can be provided, the OCHA will accept a notarized statement from the family.

**Visitors**

Acceptable proof of an alternate residence of a person who claims to be a visitor, includes utility bills, or canceled checks for rent with the in their name of this individual included.

**Social Security Number**

Verification of numbers will be done through the provision of a valid Social Security card issued by the Social Security Administration

If an applicant or family member cannot produce his or her Social Security card, military records or identification cards showing his or her Social Security Number may be used for verification.

Otherwise, the family member must apply for a duplicate Social Security card for verification purposes.

New family members will be required to produce their Social Security card at the time of their admission or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the OCHA, whether at the time of the annual or requested interim reexamination.

If an applicant or participant is able to disclose the Social Security number, but cannot meet the documentation requirements, the applicant or tenant must sign a certification to that effect provided by the OCHA.

The applicant/participant or family member will have an additional sixty calendar days to provide proof of the Social Security number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an elderly individual at least 62 years of age, the OCHA may grant an extension for an additional sixty calendar days (total 120 calendar days). If at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

#### **History of Drug and/or Violent Criminal Background**

All adult family members may have their criminal history reviewed by the OCHA upon referral to the Orange County District Attorneys Office. This record will be used to establish compliance with HUD regulations on the issuance and continued assistance for Section 8 Rental Assistance.